

# California Arts Council

## FY 18-19 Fiscal Sponsor Policy

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Organizations conducting not-for-profit work without a nonprofit tax-exemption status may apply for California Arts Council grant programs through use of a Fiscal Sponsor.

### **Applicant Organization Fiscal Sponsorship Eligibility Requirements:**

- Must be an organizational entity; the CAC does not currently accept applications from individual applicants
- Must have a principal place of business in California
- Must be consistently engaged in arts programs and/or services for two years prior to the time of application

### **Fiscal Sponsor Organization Eligibility Requirements:**

- Must be a nonprofit organization with tax-exempt status under section 501(c)(3) of the Internal Revenue Code
- Must have a principal place of business in California
- Must be consistently engaged in arts programs and/or services for two years prior to the time of application

### **Relationship between the Applicant Organization and the Fiscal Sponsor Organization:**

It is the duty of the Applicant Organization—not the Fiscal Sponsor Organization—to develop and execute the grant proposal activity and to complete all required grant reporting.

It is the duty of the Fiscal Sponsor Organization to maintain “discretion and control” of funding received from the CAC. Fiscal Sponsor Organizations are expected to maintain close involvement with the Applicant Organization to ensure that funding is used in accordance with the approved grant proposal.

An Applicant Organization may not change Fiscal Sponsor Organizations after the grant application deadline.

The total of all application requests cannot exceed 50% of an Applicant Organization’s total operating revenue from the last completed fiscal year. Operating revenue for the Fiscal Sponsor Organization is not considered.

### **Fiscally Sponsoring Multiple Applications:**

An organization may act as the Fiscal Sponsor Organization for multiple Applicant Organizations. A Fiscal Sponsor Organization may also submit its own proposal as an Applicant Organization, in addition to acting as the Fiscal Sponsor Organization for one or more Applicant Organizations.

### **Fiscally Sponsored Grant Application Requirements (due at the time of application):**

- Legal name of Fiscal Sponsor Organization
- Fiscal Sponsor Organization’s federal EIN
- Fiscal Sponsor Organization’s executive leader’s name, phone number, and email

- Fiscal Sponsor Organization's mailing address
- Number of years the Fiscal Sponsor Organization has been engaged in arts programming and/or services
- A brief description of the history of the Fiscal Sponsor Organization's arts programming and/or services
- An IRS 990, 990-EZ or 990-PF form for the Fiscal Sponsor Organization; no other types of 990 forms will be accepted
- Payee Data Record (STD 204)

**Fiscal Sponsor Organization Responsibilities:**

If an Applicant Organization using a Fiscal Sponsor Organization is recommended for funding, the Fiscal Sponsor Organization becomes the legal contractor for the grant designated in the State of California Standard Agreement (STD 213). All contractual documents must be signed and approved by a representative of the Fiscal Sponsor Organization.

Grant disbursements are made payable to and mailed to the Fiscal Sponsor Organization. The Fiscal Sponsor Organization is responsible for distributing funds to the Applicant Organization.